

Deloitte & Touche LLP
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Jimmy Berry
Independent Auditor and Advisor

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

SEARS HOLDINGS CORPORATION, *et al.*,

Debtors.¹

Chapter 11

Case No. 18-23538 (RDD)

(Jointly Administered)

**FINAL FEE APPLICATION OF DELOITTE & TOUCHE LLP FOR COMPENSATION
FOR SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED
AS INDEPENDENT AUDITOR AND ADVISOR
FROM OCTOBER 15, 2018 THROUGH OCTOBER 31, 2019**

Name of Applicant:

Deloitte & Touche LLP

Retained to Provide Professional Services as:

Independent Auditor and Advisor

Date of Retention:

Effective *Nunc Pro Tunc*
to October 15, 2018 by
Order entered January 22,
2019 [Docket No. 1736]

Period for which Compensation and Reimbursement is
Sought:

October 15, 2018 – October 31,
2019

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); SR – Rover de Puerto Rico, LLC (f/k/a Sears de Puerto Rico, Inc. (3626)); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Rover Brands Business Unit, LLC (f/k/a Sears Brands Business Unit Corporation (4658)); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

Professional Fees	\$ 2,476,936.00
Amount of Expense Reimbursement Sought	\$ 47,154.66
Less: Agreed Reduction	\$ (125,000.00)
Total Amount of Fees and Expenses	\$ 2,399,090.66
Amount Previously Paid	\$ 2,524,090.66
Net Amount Due	\$ (125,000.00)

This is an: ☐ Monthly ☐ Interim ☒ Final Application

PRIOR MONTHLY FEE APPLICATIONS FILED

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
03/15/19 Dkt. 2855	10/15/18 – 11/30/18	\$1,411,044.00	\$20,031.02	\$1,411,044.00	\$20,031.02
04/03/19 Dkt. 3025	12/01/18 – 12/31/18	\$580,935.00	\$11,451.92	\$580,935.00	\$11,451.92
04/15/19 Dkt. 3221	01/01/19 – 01/31/19	\$173,211.50	\$9,300.27	\$173,211.50	\$9,300.27
04/15/19 Dkt. 3222	02/01/19 – 02/28/19	\$159,580.00	\$6,371.45	\$159,580.00	\$6,371.45
07/08/19 Dkt. 4447	03/01/19 – 03/31/19	\$80,195.50	\$0.00	\$80,195.50	\$0.00
07/17/19 Dkt. 4548	04/01/19 – 05/31/19	\$8,790.00	\$0.00	\$8,790.00	\$0.00
08/05/19 Dkt. 4736	06/01/19 – 06/30/19	\$2,380.00	\$0.00	\$2,380.00	\$0.00
09/19/19 Dkt. 5191	07/01/19 – 08/31/19	\$28,780.00	\$0.00	\$23,024.00	\$0.00
11/21/19 Dkt. 6069	09/01/19 – 09/30/19	\$19,750.00	\$0.00	\$19,750.00	\$0.00
12/04/19 Dkt. 6133	10/01/19 – 10/31/19	\$12,270.00	\$0.00	\$12,270.00	\$0.00

PRIOR INTERIM FEE APPLICATIONS FILED

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
04/15/19 Dkt. 3223	10/15/18 – 2/28/19	\$2,324,770.50	\$47,154.66	\$2,324,770.50	\$47,154.60
08/13/19 Dkt. 4826	3/01/19 – 6/30/19	\$91,365.50	\$0.00	\$91,365.50	\$0.00
12/04/19 Dkt. 6136	7/01/19 – 10/31/19	\$60,800.00	\$0.00	\$173,211.50	\$0.00

PERSONNEL

For the Final Fee Application Period from October 15, 2018 – October 31, 2019

Advisory Services - ASC 606

Professional	Level	Rate	Hours	Fees
Berry, Jim	Partner/Principal	\$925.00	2.3	\$2,127.50
Bradfield, Derek	Partner/Principal	\$925.00	2.4	\$2,220.00
Mallaro, Brian	Partner/Principal	\$925.00	0.6	\$555.00
Chiriatti, Chris	Partner/Principal	\$925.00	0.6	\$555.00
Lauret, Kyle	Senior Manager	\$625.00	21.8	\$13,625.00
Williams, Adam	Senior Manager	\$625.00	0.8	\$500.00
Chang, Stephen	Manager	\$525.00	1.6	\$840.00
Fitzgerald, Connor	Senior Consultant	\$450.00	10.2	\$4,590.00
Sorenson, Peter	Senior Consultant	\$450.00	9.7	\$4,365.00
Allen, Michael	Consultant	\$295.00	7.9	\$2,330.50
Professional Subtotal:			57.9	\$31,708.00

Advisory Services - ASC 842

Professional	Level	Rate	Hours	Fees
Garrett, Brad	Partner/Principal	\$925.00	1.5	\$1,387.50
Coleman, Brandon	Partner/Principal	\$925.00	1.0	\$925.00
Mallaro, Brian	Partner/Principal	\$925.00	0.4	\$370.00
Lauret, Kyle	Senior Manager	\$625.00	2.0	\$1,250.00
Pesa, Lauren	Senior Manager	\$625.00	1.3	\$812.50
Professional Subtotal:			6.2	\$4,745.00

Advisory Services - ASC 852

Professional	Level	Rate	Hours	Fees
Berry, Jim	Partner/Principal	\$925.00	0.7	\$647.50
Bradfield, Derek	Partner/Principal	\$925.00	0.3	\$277.50
Weinert McDonnell, Lesley	Partner/Principal	\$925.00	9.6	\$8,880.00
Bradfield, Derek	Partner/Principal	\$650.00	10.5	\$6,825.00
Hartmann, Becky	Senior Manager	\$625.00	11.4	\$7,125.00
Lauret, Kyle	Senior Manager	\$625.00	13.4	\$8,375.00
Staiger, Jt	Senior Manager	\$625.00	3.2	\$2,000.00

Berland, Taylor	Manager	\$525.00	14.1	\$7,402.50
Chang, Stephen	Manager	\$525.00	4.6	\$2,415.00
Lonnemann, Malorie	Manager	\$525.00	3.2	\$1,680.00
Nanda, Priyanka	Manager	\$210.00	0.5	\$105.00
Fitzgerald, Connor	Senior Consultant	\$450.00	14.3	\$6,435.00
Jain, Yash R	Senior Consultant	\$180.00	43.7	\$7,866.00
McManus, Joseph	Senior Consultant	\$450.00	23.4	\$10,530.00
Sorenson, Peter	Senior Consultant	\$450.00	42.4	\$19,080.00
Straub, Kelsey	Senior Consultant	\$450.00	33.4	\$15,030.00
Allen, Michael	Consultant	\$295.00	30.5	\$8,997.50
Professional Subtotal:			259.2	\$113,671.00

Advisory Services - SOC Reports

Professional	Level	Hours	Fees
Weinert, Lesley	Partner/Principal	4.2	
Yauch, Glenn	Partner/Principal	0.4	
Berggren, Maureen	Managing Director	24.7	
Bihm, Christy	Managing Director	3.3	
Dixon, Teagan	Senior Manager	1.3	
Lauret, Kyle	Senior Manager	5.1	
Williams, Adam	Senior Manager	1.4	
Berland, Taylor	Manager	10.5	
Lonnemann, Malorie	Manager	15.7	
Vajhala, Phani Kiran	Manager	44.9	
Fitzgerald, Connor	Senior Consultant	0.5	
McShane, Connor	Senior Consultant	0.2	
McManus, Joseph	Senior Consultant	0.3	
Riordan, Katy	Senior Consultant	42.8	
Smietanski, Meredith	Senior Consultant	128.7	
Straub, Kelsey	Senior Consultant	59.8	
Allen, Michael	Consultant	8.7	
Augustian, Jenn	Consultant	25.1	
Borcher, Scott	Consultant	5.4	
Hunt, Elliott	Consultant	0.5	
Hoye, Jim	Consultant	53.2	
King, Elizabeth	Consultant	7.2	
Bougadis, Blake	Consultant	24.7	
Castellano, Carrie	Consultant	0.9	
Mason, David	Consultant	70.4	
Nguyen, Donna	Consultant	19.4	
Patni, Paridhi	Consultant	2.2	
Srividya, Vidya	Consultant	14.0	
Rosi, Matthew	Consultant	6.7	
Professional Subtotal:		582.2	\$150,000.00

Audit Services²

Professional	Level	Hours	Fees
Berry, Jim	Partner/Principal	99.8	
Berrill, Liz	Partner/Principal	30.5	
Bradfield, Derek	Partner/Principal	0.2	
Garrett, Brad	Partner/Principal	1.4	
Hurwitz, Scott	Partner/Principal	2.8	
Klein, Sara	Partner/Principal	1.7	
Kohn, Barry	Partner/Principal	31.7	
Levin, Gary	Partner/Principal	0.9	
Mallaro, Brian	Partner/Principal	2.9	
Mashburn, Brian	Partner/Principal	9.6	
Morrissey, Michael	Partner/Principal	0.3	
Treiber, John	Partner/Principal	2.0	
Tzavelis, Elias	Partner/Principal	0.6	
Weinert McDonnell, Lesley	Partner/Principal	144.1	
Yauch, Glenn	Partner/Principal	31.5	
Berggren, Maureen	Managing Director	21.2	
Dugan, Mike	Managing Director	4.0	
Goncalves, Tony	Managing Director	7.9	
Harrison, Tracy	Managing Director	2.0	
Hermanson, Tom	Managing Director	33.8	
Kapecki, Kenneth	Managing Director	7.1	
Pinto, Sarah	Managing Director	0.7	
Siciliano, Cecilia	Managing Director	0.3	
Rawat, Sue	Senior Manager	6.0	
Anderson, Jenifer	Senior Manager	1.1	
Balester, Jennifer	Senior Manager	3.6	
Burya, Jim	Senior Manager	0.4	
Dixon, Teagan (TJ)	Senior Manager	20.0	
Hartmann, Becky	Senior Manager	52.4	
Lauret, Kyle	Senior Manager	151.4	
Pesa, Lauren	Senior Manager	0.3	
Pyburn, Tim	Senior Manager	0.5	
Slattery, Matthew	Senior Manager	6.4	
Staiger, Jt	Senior Manager	144.0	
Torregrossa, Michelle	Senior Manager	1.4	
Williams, Adam	Senior Manager	60.6	
Adorno, Dan	Manager	23.2	
Beekman, Berna	Manager	42.0	
Berland, Taylor	Manager	108.7	
Chang, Stephen	Manager	84.2	
Enkhbayar, Tuya	Manager	22.6	
Lonnemann, Malorie	Manager	128.7	
Morawiec, Monika	Manager	1.5	
Nanda, Priyanka	Manager	42.7	
Vajhala, Phani Kiran	Manager	136.7	

Babbar, Bhumika	Senior Consultant	38.2	
Jain, Chetna	Senior Consultant	10.0	
Jain, Yash R	Senior Consultant	112.6	
Akopchikyan, Ovsep	Senior Consultant	4.2	
Dail, Amanda	Senior Consultant	1.2	
Fitzgerald, Connor	Senior Consultant	296.9	
Liu, Sky	Senior Consultant	109.3	
McManus, Joseph	Senior Consultant	239.5	
McShane, Connor	Senior Consultant	131.8	
Riordan, Katy	Senior Consultant	276.8	
Shah, Homil	Senior Consultant	0.5	
Smietanski, Meredith	Senior Consultant	409.2	
Sorenson, Peter	Senior Consultant	224.4	
Straub, Kelsey	Senior Consultant	189.1	
Viray, Norell	Senior Consultant	15.7	
Allen, Michael	Staff/Consultant	381.5	
Agarwal, Minu	Staff/Consultant	1.0	
Augustian, Jenn	Staff/Consultant	25.0	
Bakshi, Saurabh	Staff/Consultant	7.9	
Bandic, Alex	Staff/Consultant	1.0	
Bougadis, Blake	Staff/Consultant	166.1	
Borcher, Scott	Staff/Consultant	4.0	
Castellano, Carrie	Staff/Consultant	102.1	
Colletti, James	Staff/Consultant	61.7	
Doster, Kiera	Staff/Consultant	75.5	
Hoye, Jim	Staff/Consultant	320.1	
Jaiswal, Himanshu	Staff/Consultant	178.8	
Jha, Abhinav	Staff/Consultant	166.4	
Kandpal, Neha	Staff/Consultant	1.4	
King, Elizabeth	Staff/Consultant	72.5	
Mason, David	Staff/Consultant	318.9	
Manjwani, Rashmi	Staff/Consultant	2.4	
Mohammed, Muneer	Staff/Consultant	48.5	
Murphy, Karissa	Staff/Consultant	2.6	
Nguyen, Donna	Staff/Consultant	375.3	
Patni, Paridhi	Staff/Consultant	83.4	
Paul, Samantha	Staff/Consultant	49.8	
Pradhan, Smruti	Staff/Consultant	0.4	
Rosi, Matthew	Staff/Consultant	200.9	
Rothstein, Louis	Staff/Consultant	46.3	
Sal, Tanmoy	Staff/Consultant	104.2	
Srividya, Vidya	Staff/Consultant	24.7	
Stone, Kyle	Staff/Consultant	0.8	
Surya Teja, Raavi	Staff/Consultant	4.5	
Venkatasubramanyan, Srikanth	Staff/Consultant	2.0	
Wolter, Devin	Staff/Consultant	2.6	
Billie, Jaclyn	Staff/Consultant	31.5	
Professional Subtotal:		6,502.0	\$1,180,500.00

Audit Services - ASC 842

Professional	Level	Rate	Hours	Fees
Mallaro, Brian	Partner/Principal	\$600.00	0.9	\$540.00
Weinert McDonnell, Lesley	Partner/Principal	\$600.00	0.5	\$300.00
Bruner, Gina	Managing Director	\$600.00	0.9	\$540.00
Dixon, Teagan	Senior Manager	\$500.00	1.1	\$550.00
Hall, Michelle	Senior Manager	\$500.00	1.4	\$700.00
Lauret, Kyle	Senior Manager	\$500.00	4.1	\$2,050.00
Vajhala, Phani	Manager	\$400.00	0.4	\$160.00
McShane, Connor	Senior Consultant	\$300.00	5.7	\$1,710.00
Smietanski, Meredith	Senior Consultant	\$300.00	1.1	\$330.00
Bougadis, Blake	Staff/Consultant	\$200.00	7.1	\$1,420.00
Hoye, Jim	Staff/Consultant	\$200.00	0.6	\$120.00
Nguyen, Donna	Staff/Consultant	\$200.00	0.7	\$140.00
Professional Subtotal:			24.5	\$8,560.00

Out of Scope Audit Services

Professional	Level	Rate	Hours	Fees
Berggren, Maureen	Managing Director	\$600.00	1.8	\$1,080.00
Barton, Trevor	Partner/Principal	\$600.00	0.4	\$240.00
Berrill, Liz	Partner/Principal	\$600.00	4.1	\$2,460.00
Berry, Jim	Partner/Principal	\$600.00	57.7	\$34,620.00
Bradfield, Derek	Partner/Principal	\$600.00	6.2	\$3,720.00
Candela, Kathleen	Managing Director	\$600.00	12.1	\$7,260.00
Collins, Bryan	Partner/Principal	\$600.00	10.6	\$6,360.00
DeFrancis Munn, Diane	Partner/Principal	\$600.00	1.0	\$600.00
Drager, Christine	Managing Director	\$600.00	11.1	\$6,660.00
Garrett, Brad	Partner/Principal	\$600.00	1.0	\$600.00
Feller, Jon	Managing Director	\$600.00	2.3	\$1,380.00
Goncalves, Tony	Managing Director	\$600.00	1.6	\$960.00
Harrison, Tracy	Managing Director	\$600.00	0.6	\$360.00
Hermanson, Tom	Managing Director	\$600.00	9.9	\$5,940.00
Hoffman, David	Partner/Principal	\$600.00	5.9	\$3,540.00
Hurwitz, Scott	Partner/Principal	\$600.00	2.4	\$1,440.00
Klein, Sara	Partner/Principal	\$600.00	1.7	\$1,020.00
Kohn, Barry	Partner/Principal	\$600.00	6.7	\$4,020.00
Lademan, Sarah	Partner/Principal	\$600.00	0.7	\$420.00
Little, John	Partner/Principal	\$600.00	2.6	\$1,560.00
Mallaro, Brian	Partner/Principal	\$600.00	7.9	\$4,740.00
Mashburn, Brian	Partner/Principal	\$600.00	0.9	\$540.00
Pinto, Sarah	Managing Director	\$600.00	0.4	\$240.00
Rogers, Chris	Partner/Principal	\$600.00	11.1	\$6,660.00
Sasso, Anthony	Managing Director	\$600.00	12.0	\$7,200.00
Sullivan, Mike	Managing Director	\$600.00	7.6	\$4,560.00
Taylor, Mike	Managing Director	\$600.00	20.2	\$12,120.00
Treiber, John	Partner/Principal	\$600.00	3.2	\$1,920.00
Tzavelis, Elias	Partner/Principal	\$600.00	0.5	\$300.00
Weinert McDonnell, Lesley	Partner/Principal	\$600.00	117.7	\$70,620.00
Weller, Curt	Partner/Principal	\$600.00	3.3	\$1,980.00
Yauch, Glenn	Partner/Principal	\$600.00	9.1	\$5,460.00

Anderson, Jenifer	Senior Manager	\$500.00	2.0	\$1,000.00
Balester, Jennifer	Senior Manager	\$500.00	2.0	\$1,000.00
Chin, Jane	Senior Manager	\$500.00	1.0	\$500.00
DeSanctis, Jen	Senior Manager	\$500.00	7.0	\$3,500.00
Dixon, Teagan (TJ)	Senior Manager	\$500.00	1.6	\$800.00
Ernotte, Ann	Senior Manager	\$500.00	1.6	\$800.00
Hartmann, Becky	Senior Manager	\$500.00	41.4	\$20,700.00
Lauret, Kyle	Senior Manager	\$500.00	197.5	\$98,750.00
Misner, Tricia	Senior Manager	\$500.00	0.4	\$200.00
Pesa, Lauren	Senior Manager	\$500.00	24.5	\$12,250.00
Schmitt, Derek	Senior Manager	\$500.00	1.8	\$900.00
Simpson, Lindsey	Senior Manager	\$500.00	8.2	\$4,100.00
Staiger, Jt	Senior Manager	\$500.00	147.5	\$73,750.00
Swiatkowski, John	Senior Manager	\$500.00	8.0	\$4,000.00
Tepper, Steve	Senior Manager	\$500.00	0.8	\$400.00
Williams, Adam	Senior Manager	\$500.00	31.3	\$15,650.00
Adam, Kristin	Manager	\$400.00	1.0	\$400.00
Adorno, Dan	Manager	\$400.00	1.0	\$400.00
Berland, Taylor	Manager	\$400.00	19.0	\$7,600.00
Boucher, Michelle	Manager	\$400.00	0.4	\$160.00
Brocker, Karla	Manager	\$400.00	2.5	\$1,000.00
Chang, Stephen	Manager	\$400.00	51.6	\$20,640.00
Enkhbayar, Tuya	Manager	\$400.00	1.0	\$400.00
Fielding, Stephen	Manager	\$400.00	6.9	\$2,760.00
Hennelly, McKenna	Manager	\$400.00	2.1	\$840.00
Lonnemann, Malorie	Manager	\$400.00	69.1	\$27,640.00
Morawiec, Monika	Manager	\$400.00	1.7	\$680.00
Nanda, Priyanka	Manager	\$160.00	29.1	\$4,656.00
Redstrom, Kyle	Manager	\$400.00	1.0	\$400.00
Yang, Shell	Manager	\$400.00	1.0	\$400.00
Browning, Maria	Senior Consultant	\$300.00	19.1	\$5,730.00
Dail, Amanda	Senior Consultant	\$300.00	27.4	\$8,220.00
Fitzgerald, Connor	Senior Consultant	\$300.00	131.3	\$39,390.00
Hu, May	Senior Consultant	\$300.00	20.6	\$6,180.00
McManus, Joseph	Senior Consultant	\$300.00	87.2	\$26,160.00
McShane, Connor	Senior Consultant	\$300.00	125.1	\$37,530.00
Riordan, Katy	Senior Consultant	\$300.00	6.8	\$2,040.00
Smietanski, Meredith	Senior Consultant	\$300.00	1.0	\$300.00
Sorenson, Peter	Senior Consultant	\$300.00	109.9	\$32,970.00
Straub, Kelsey	Senior Consultant	\$300.00	201.4	\$60,420.00
Viray, Norell	Senior Consultant	\$300.00	1.0	\$300.00
Prettyman, Carmen	Senior Consultant	\$300.00	34.6	\$10,380.00
Jain, Yash R	Senior Consultant	\$120.00	69.6	\$8,352.00
Allen, Michael	Staff/Consultant	\$200.00	74.5	\$14,900.00
Augustian, Jenn	Staff/Consultant	\$200.00	0.2	\$40.00
Bandic, Alex	Staff/Consultant	\$200.00	0.5	\$100.00
Billie, Jaclyn	Staff/Consultant	\$200.00	12.2	\$2,440.00
Bougadis, Blake	Staff/Consultant	\$200.00	65.1	\$13,020.00
Castellano, Carrie	Staff/Consultant	\$200.00	10.1	\$2,020.00
Chew, Tyng	Staff/Consultant	\$200.00	6.1	\$1,220.00
Colletti, James	Staff/Consultant	\$200.00	2.1	\$420.00
Garbacik, Marissa	Staff/Consultant	\$200.00	4.5	\$900.00

Gutierrez, Dalia	Staff/Consultant	\$200.00	0.4	\$80.00
Hoang, Tuyen	Staff/Consultant	\$200.00	0.4	\$80.00
Hoye, Jim	Staff/Consultant	\$200.00	1.0	\$200.00
King, Elizabeth	Staff/Consultant	\$200.00	1.3	\$260.00
Nguyen, Donna	Staff/Consultant	\$200.00	19.5	\$3,900.00
Paul, Samantha	Staff/Consultant	\$200.00	5.3	\$1,060.00
Rosi, Matthew	Staff/Consultant	\$200.00	32.3	\$6,460.00
Rothstein, Louis	Staff/Consultant	\$200.00	1.0	\$200.00
Wolter, Devin	Staff/Consultant	\$200.00	1.0	\$200.00
Das, Arnab	Staff/Consultant	\$160.00	2.9	\$464.00
Pradhan, Smruti	Staff/Consultant	\$120.00	19.7	\$2,364.00
Bakshi, Saurabh	Staff/Consultant	\$80.00	1.0	\$80.00
Donthisaram, Shravya	Staff/Consultant	\$80.00	28.1	\$2,248.00
Gangisetty, Sujana	Staff/Consultant	\$80.00	28.3	\$2,264.00
Gupta, Anshula	Staff/Consultant	\$80.00	3.2	\$256.00
Jaiswal, Himanshu	Staff/Consultant	\$80.00	12.7	\$1,016.00
Jha, Abhinav	Staff/Consultant	\$80.00	7.6	\$608.00
Patni, Paridhi	Staff/Consultant	\$80.00	0.3	\$24.00
Sal, Tanmoy	Staff/Consultant	\$80.00	6.6	\$528.00
Srividya, Vidya	Staff/Consultant	\$80.00	0.3	\$24.00
Vemu, Vijay	Staff/Consultant	\$80.00	10.0	\$800.00
Tummuri, Ashok Reddy	Staff/Consultant	\$80.00	3.0	\$240.00
Professional Subtotal :			2,573.8	\$920,412.00

Preparation of Fee Applications

Professional	Level	Rate	Hours	Fees
Staiger, Jt	Senior Manager	\$500.00	2.3	\$1,150.00
Abrom, Carisa	Senior Consultant	\$300.00	70.7	\$21,210.00
Riordan, Katy	Senior Consultant	\$300.00	0.4	\$120.00
Gutierrez, Dalia	Staff/Consultant	\$200.00	167.7	\$33,540.00
Professional Subtotal :			297.7	\$67,340.00

TOTAL HOURS AND FEES REQUESTED	10,303.5	\$2,476,936.00
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COMPENSATION BY CATEGORY

For the Final Fee Application Period from October 15, 2018 – October 31, 2019

Categories	Hours	Fees
Advisory Services - ASC 606	57.9	\$31,708.00
Advisory Services - ASC 842	6.2	\$4,745.00
Advisory Services - ASC 852	259.2	\$113,671.00
Advisory Services - SOC Reports	582.2	\$150,000.00
Audit Services	6,502.0	\$1,180,500.00
Audit Services - ASC 842	24.5	\$8,560.00
Out of Scope Audit Services	2,573.8	\$920,412.00
Preparation of Fee Applications	297.7	\$67,340.00
Fee's Category Subtotal :	10,303.5	\$2,476,936.00

EXPENSES BY CATEGORY

For the Final Fee Application Period from October 15, 2018 – October 31, 2019

Expense Categories	Total Expenses for the Period
Mileage	\$17,842.67
Meals	\$12,569.60
Auto Parking	\$985.41
Transportation	\$1,290.66
Auto Tolls	\$985.90
Auto Rental	\$1,986.56
Hotel	\$7,061.08
Airfare	\$4,399.33
Auto Rental: Gasoline	\$20.95
Telephone: Conference Calls	\$1.50
Office Supplies and Stationery	\$11.00
Expense Category Subtotal :	\$47,154.66

Deloitte & Touche LLP
2200 Ross Avenue, Suite 1600
Dallas, Texas 75201-6778
Telephone: 214-840-7360
Jimmy Berry
Independent Auditor and Advisor

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

SEARS HOLDINGS CORPORATION, *et al.*,

Debtors.¹

Chapter 11

Case No. 18-23538 (RDD)

(Jointly Administered)

**FINAL FEE APPLICATION OF DELOITTE & TOUCHE LLP FOR COMPENSATION
FOR SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED
AS INDEPENDENT AUDITOR AND ADVISOR
FROM OCTOBER 15, 2018 THROUGH OCTOBER 31, 2019**

Pursuant to sections 105 and 330 of title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (collectively the “Bankruptcy Rules”), Rule 2016-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the Southern District of New York adopted by the Court on November 25, 2009 (the “Local Rules”), United States Bankruptcy Court of the Southern District of New York’s

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); SR – Rover de Puerto Rico, LLC (f/k/a Sears de Puerto Rico, Inc. (3626)); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Rover Brands Business Unit, LLC (f/k/a Sears Brands Business Unit Corporation (4658)); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

General Order M-447 signed on January 29, 2013 by Chief Judge Cecelia G. Morris (the “General Order”) and this Court’s Order Pursuant to Sections 330 and 331 of the Bankruptcy Code and Bankruptcy Rule 2016(a) Establishing Procedures for Final Compensation and Reimbursement of Expenses of Professionals, dated November 16, 2018 (the “Final Compensation Order”) (Docket No. 796), Deloitte & Touche LLP (“Deloitte & Touche” or “Applicant”), as the Debtors’ independent auditor and advisor, hereby submits its final fee application (“Final Fee Application”) for the final compensation of professional services performed, and reimbursement of expenses incurred, by Deloitte & Touche for the period commencing October 15, 2018 through and including October 31, 2019 (the “Final Fee Application Period”).

By this Final Fee Application, Deloitte & Touche seeks final allowance of compensation in the amount of \$2,476,936.00 and reimbursement of actual and necessary expenses incurred in the amount of \$47,154.66, less a reduction of \$125,000 (agreed to with the fee examiner in these cases) to be remitted back to the Debtors’ estate, for a total allowance of \$2,399,090.66 for the Final Fee Application Period.

JURISDICTION

1. The Court has subject matter jurisdiction to consider and determine this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

STATUTORY BASIS

2. The statutory predicates for the relief requested herein are: (i) sections 328 and 330 of the Bankruptcy Code; (ii) rule 2016 of the Bankruptcy Rules; (iii) rule 2016-1 of the Local Rules; and (iv) the Final Compensation Order. This Final Fee Application has been prepared in accordance with General Order 447 and the *United States Trustee Guidelines for Reviewing*

Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, effective January 30, 1996 (the “UST Guidelines” and, together with the General Order 447, the “Guidelines”). Pursuant to the Guidelines, a certification regarding compliance with the Guidelines is attached hereto as Exhibit A.

BACKGROUND

3. On October 15, 2018 (the “Petition Date”),² the Debtors filed voluntary petitions in this Court for relief under chapter 11 of the Bankruptcy Code. The Debtors continue to manage and operate their businesses as debtors in possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code. The Debtors’ cases are being jointly administered for procedural purposes pursuant to Bankruptcy Rule 1015 (b).

4. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue of these cases are proper under 28 U.S.C. §§ 1408 and 1409.

5. On October 24, 2018, the Office of the United States Trustee for the Southern District of New York appointed an official committee of unsecured creditors in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code.

RETENTION OF DELOITTE & TOUCHE LLP

6. The retention of Deloitte & Touche, as the Debtors’ independent auditor and advisor was approved effective October 15, 2018 by this Court’s Order Authorizing Debtors to Retain Deloitte & Touche LLP for Independent Audit and Advisory Services *Nunc Pro Tunc* to October 15, 2018 entered on or about January 22, 2019 (the “Retention Order”) (Docket No. 1736). The Retention Order authorized the Debtors to employ Deloitte & Touche pursuant to certain

² All of the Debtors filed for chapter 11 on October 15, 2018, with the exception of SHC Licensed Business LLC (filed on October 18, 2018), SHC Promotion LLC (filed on October 22, 2018) and SRe Holding Corporation (filed on January 7, 2019).

engagement letters (collectively, the “Engagement Agreements”), between Deloitte & Touche and the Debtors. Pursuant to the Retention Order, Deloitte & Touche was authorized to perform and to be compensated for professional services and reimbursed for actual and necessary expenses incurred on behalf of the Debtors effective October 15, 2018, subject to application to this Court as set forth therein.

REQUESTED FEES AND REIMBURSEMENT OF EXPENSES

7. All services for which Deloitte & Touche requests compensation were performed for the Debtors. Deloitte & Touche has received no payment and no promises for payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Final Fee Application. There is no agreement or understanding between Deloitte & Touche and any nonaffiliated or unrelated person for the sharing of compensation to be received for services rendered in these cases.

8. The time detail for the Final Fee Application Period was attached to the previously filed interim fee applications. This time detail contains daily time logs describing the time spent by each professional and paraprofessional during the Final Application Period. To the best of Deloitte & Touche’s knowledge, this Final Fee Application substantially complies with sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, the General Order and the Final Compensation Order (except as set forth herein). Deloitte Touche’s time reports were entered and organized by the professional or paraprofessional performing the described services on a daily basis.

9. A summary of actual and necessary expenses incurred by Deloitte & Touche for the Final Fee Application Period was attached to the previously filed interim fee applications and is incorporated herein by reference for the sake of brevity. Deloitte & Touche does not charge for

photocopying, out-going facsimile transmissions, or long-distance telephone calls on faxes. Deloitte & Touche does not charge the Debtors for the receipt of faxes.

10. The names of the partners, principals and professionals, who have rendered professional services in these chapter 11 cases during the Final Fee Application Period, along with a more detailed identification of the actual services provided, are set forth in the coversheet above and in the previously filed interim fee applications.

11. The services rendered by Deloitte & Touche during the Final Fee Application Period can be grouped into the categories set forth below. Deloitte & Touche attempted to place the services provided in the category that best related to such services. However, because certain services may relate to one or more categories, services pertaining to one category may in fact be included in another category. These services performed, by categories, are generally described below, with a more detailed identification of the actual services provided set forth in the time detail previously filed with the interim fee applications, which for the sake of brevity, are incorporated by reference and have not been attached. This time detail identifies the professionals and paraprofessionals who rendered services relating to each category, along with the number of hours for each individual and the total compensation sought for each category.

12. Deloitte & Touche's affiliates, Deloitte Tax LLP and Deloitte Transaction and Business Analytics LLP are also providing services to the Debtors, which were approved by separate retention orders of this Court, both entered on January 22, 2019 (Dockets 1735 and 1734, respectively). The fees and expenses of these entities have been the subject of separate fee applications.

SUMMARY OF SERVICES PERFORMED

13. This Final Fee Application covers the fees incurred during the Final Fee Application Period which includes services performed from October 15, 2018 to October 31, 2019. Deloitte & Touche believes it appropriate to be compensated for the time spent in connection with these matters, and sets forth a narrative description of the services rendered for the Debtors and the time expended, organized by project task categories, as follows:

A. Advisory Services – ASC 606 and ASC 842

14. During the Final Fee Application Period, Deloitte & Touche worked with personnel from the Debtors to advise on the Debtors' adoption of new accounting standards for financial reporting purposes pursuant to generally accepted accounting principles ("GAAP") and U.S. Securities and Exchange Commission ("SEC") rules and regulations, which included:

- Meeting with the personnel of the Debtors to understand the Debtors' accounting matters impacted by the new standards;
- Advising on specific treatment of the Debtors' accounting for various transactions and events impacted by the new standards;
- Compiling guidance summaries for the Debtors personnel to illustrate applicable guidance; and
- Reviewing the Debtors' accounting positions on the application of the new accounting standards.

Total Category (Oct. 15, 2018 – Oct. 31, 2019)	Time Expended	Fees
Advisory Services – ASC 606 and ASC 842	88.6 Hours	\$45,013.00

B. Advisory Services – ASC 852

15. During the Final Fee Application Period, Deloitte & Touche worked with personnel of the Debtors to advise on the Debtors' adoption of reorganization-specific accounting standards

and guidance for financial accounting and reporting purposes pursuant to GAAP and SEC rules and regulations, which included:

- Providing training to the Debtors personnel on accounting and reporting matters including an introduction to accounting and reporting considerations related to the commencement of a chapter 11 case and reorganization thereunder;
- Reading relevant documentation (e.g., policies and procedures, the Debtors accounting conclusions, existing agreements and/or contracts, transaction documentation selected by the Debtors) for accounting and financial reporting areas impacted by the Debtors' filing for bankruptcy protection and planned reorganization;
- Researching and communicating relevant accounting literature and guidance under GAAP and SEC rules and regulations related to the impact on the Debtors' financial reporting while under bankruptcy protection;
- Providing advice and recommendations on the required financial statement disclosures, including the impacts of reliance on accounting and reporting systems and related relevant controls;
- Providing advice and recommendations to the Debtors on (i) the Debtors' proposed accounting treatment for planned transactions, (ii) existing accounting and reporting matters impacted by the Debtors' filing for bankruptcy protection and (iii) the Debtors' draft financial statement disclosures by comparing to publicly available disclosure examples and technical reference materials regarding disclosure requirements; and
- Providing advice and recommendations as to how new internal controls over financial reporting and financial reporting disclosures which might be integrated into the

Debtors internal control assessment process.

Total Category (Oct. 15, 2018 – Oct. 31, 2019)	Time Expended	Fees
Advisory Services – ASC 852	259.2 Hours	\$113,671.00

C. Advisory Services – SOC Reports

16. During the Final Fee Application Period, Deloitte & Touche worked with the Debtors to examine the Debtors’ description of two systems related to the financial reporting, inventory, procurement and revenue transactions processing services and related general computer controls (“System 1”) and financial reporting and transaction processing and related general computer controls (“System 2”) employed by the Debtors (collectively, the “description of the system”), which were drafted by the Debtors. The examination was conducted in accordance with the Statement on Standards for Attestation Engagements No. 18, Attestation Standards: *Clarification and Recodification*, established by the American Institute of Certified Public Accountants. A “Service Organization Controls” report was issued as part of this examination. The examination included those procedures considered appropriate under the circumstances to obtain a reasonable basis for rendering an opinion on the following:

- Whether the description of the systems fairly presents the System 1 and System 2 controls of the Debtors that was designed and implemented throughout the specific period from February 4, 2018 through December 1, 2018;
- Whether the controls related to the control objectives stated in the description of the systems were suitably designed to provide reasonable assurance that the control objectives would be achieved if the controls operated effectively throughout the specific period from February 4, 2018 through December 1, 2018 and that subservice organizations and user entities applied the complementary controls assumed in the design of the Debtor’s controls throughout the specific period from February 4, 2018

through December 1, 2018; and

- Whether the controls operated effectively to provide reasonable assurance that the control objectives stated in the description of the systems were achieved throughout the specified period from February 4, 2018 through December 1, 2018 if complementary subservice organization controls and complementary user entity controls assumed in the design of service organization's controls operated effectively throughout the period February 4, 2018 through December 1, 2018.

Total Category (Oct. 15, 2018 – Oct. 31, 2019)	Time Expended	Fees
Advisory Services – SOC Reports	582.2 Hours	\$150,000.00

D. Audit Services

17. During the Final Fee Application Period, Deloitte & Touche performed integrated audit procedures in accordance with the standards of the Public Company Accounting Oversight Board (the “PCAOB Standards”), which included:

- Examining, on a test basis, evidence supporting the amounts and disclosures to be included in the financial statements;
- Assessing the accounting principles used and significant estimates made by management of the Debtors;
- Examining, on a test basis, evidence supporting the design and operating effectiveness of internal control over financial reporting; and
- Evaluating the effectiveness of internal control over financial reporting.

18. Deloitte & Touche also performed reviews of interim financial information in accordance with PCAOB Standards for the quarter ending November 3, 2018, which included:

- Applying analytical procedures to pertinent financial data and making inquiries of, and evaluating responses from, the Debtors' management who have responsibility for

financial and accounting matters;

- Obtaining sufficient knowledge of the Debtors' business and its internal control as they relate to the preparation of both annual and interim financial information to (1) identify the types of potential material misstatements in the interim financial information and consider the likelihood of their occurrence, and (2) select the inquiries and analytical procedures that will provide a basis for communicating whether there are any material modifications that should be made to the interim financial information for it to conform with GAAP.
- Performing procedures, principally observation and inquiries, relating to management's disclosures about changes in internal control over financial reporting to provide a basis for communicating whether there are any modifications that, in our judgment, should be made to such disclosures for the certifications of the Debtors' management to be accurate and to comply with the requirements of Section 302 of the Sarbanes-Oxley Act of 2002 and related SEC rules and regulations.

Total Category (Oct. 15, 2018 – Oct. 31, 2019)	Time Expended	Fees
Audit Services	6,502.0 Hours	\$1,180,500.00

E. Out of Scope Audit Services

19. During the Final Fee Application Period, Deloitte & Touche provided services (including audit services) not contemplated as a part of the base audit, which included:

- Performing audit procedures on the Debtors' accounting treatment of various non-recurring transactions, including a renewal transaction with respect their co-branded credit card, the junior debtor-in-possession financing transaction and the sale of certain medium term notes;
- Performing audit procedures over the Debtors' going concern analyses and

disclosures; and

- Performing audit procedures over the Debtors' pension obligations.

Total Category (Oct. 15, 2018 – Oct. 31, 2019)	Time Expended	Fees
Out of Scope Audit Services	2,573.8 Hours	\$ 920,412.00

F. Preparation of Fee Applications

20. During the Final Fee Application Period, staff for Deloitte & Touche prepared its monthly fee statements and interim fee applications in accordance with the Final Compensation Order, which included the following filings:

Date Filed/ECF No.	Period Covered	Filing
03/15/19 Dkt. 2855	10/15/18 – 11/30/18	First Monthly Fee Statement
04/03/19 Dkt. 3025	12/01/18 – 12/31/18	Second Monthly Fee Statement
04/15/19 Dkt. 3221	01/01/19 – 01/31/19	Third Monthly Fee Statement
04/15/19 Dkt. 3222	02/01/19 – 02/28/19	Fourth Monthly Fee Statement
04/15/19 Dkt. 3223	10/15/18 – 2/28/19	First Interim Fee Application
07/08/19 Dkt. 4447	03/01/19 – 03/31/19	Fifth Monthly Fee Statement
07/17/19 Dkt. 4548	04/01/19 – 05/31/19	Sixth Monthly Fee Statement
08/05/19 Dkt. 4736	06/01/19 – 06/30/19	Seventh Monthly Fee Statement
08/13/19 Dkt. 4826	3/01/19 – 6/30/19	Second Interim Fee Application
09/19/19 Dkt. 5191	07/01/19 – 08/31/19	Eighth Monthly Fee Statement
11/21/19 Dkt. 6069	09/01/19 – 09/30/19	Ninth Monthly Fee Statement
12/04/19 Dkt. 6133	10/01/19 – 10/31/19	Tenth Monthly Fee Statement

12/04/19 Dkt. 6136	7/01/19 – 10/31/19	Third Interim Fee Application
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Total Category (Oct. 15, 2018 – Oct. 31, 2019)	Time Expended	Fees
Preparation of Fee Applications	297.7 Hours	\$67,340.00

21. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, it is respectfully submitted that the amount requested by Deloitte & Touche is fair and reasonable given (a) the complexity of these cases, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under the Bankruptcy Code. Moreover, Deloitte & Touche has reviewed the requirements of Rule 2016-1 of the Local Bankruptcy Rules, the General Order and the Final Compensation Order and believes that this Final Fee Application substantially complies with such rules and orders. To the extent this Final Fee Application is not technical compliance with all provisions of such rules or orders, Deloitte & Touche respectfully requests a waiver of such provisions.

ALLOWANCE OF COMPENSATION AND ACTUAL AND NECESSARY EXPENSES

A. Compensation Sought

22. Because of the benefits realized by the Debtors, the nature of services provided, the amount of work done, the time consumed and the skill required, Deloitte & Touche requests that it be allowed, on a final basis, compensation for the professional services rendered during the Final Fee Application Period in the sum of \$2,476,936.00 (less an agreed reduction of \$125,000.00).

23. During the Final Fee Application Period, allowance of compensation in the amount requested would result in a blended hourly billing rate for professionals of approximately \$240.40.

The fees charged by Deloitte & Touche in these chapter 11 cases are billed in accordance with its existing billing structure and procedures in effect during the Final Fee Application Period.

24. Deloitte & Touche respectfully submits that the professional services rendered by Deloitte & Touche for the Debtors during the Final Fee Application Period were reasonable, necessary and appropriate to the administration of these chapter 11 cases and related matters.

B. Reimbursement of Actual and Necessary Expenses Incurred by Deloitte & Touche

25. Deloitte & Touche has disbursed, and requests reimbursement for, a total of \$47,154.66 in expenses. In providing professional services for the Debtors during the Final Fee Application Period, which represents actual, necessary expenses incurred in the rendition of professional services in these chapter 11 cases.

26. Deloitte & Touche believes that the actual expenses incurred in providing professional services during the Final Fee Application Period were necessary, reasonable and justified under the circumstances to provide services to the Debtors in these chapter 11 cases.

**DELOITTE & TOUCHE’S REQUESTED FEES SHOULD BE ALLOWED BY THIS
COURT**

27. Section 330 provides that a court may award a professional employed under section 327 of the Bankruptcy Code “reasonable compensation for actual, necessary services rendered . . . and reimbursement for actual, necessary expenses.” 11 U.S.C. § 330(a)(1). Section 330 sets forth the criteria for the award of compensation and reimbursement:

In determining the amount of reasonable compensation to be awarded . . . the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including –

- (a) the time spent on such services;
- (b) the rates charged for such services;

- (c) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title;
- (d) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed;
- (e) with respect to a professional person, whether the person is board certified or otherwise has demonstrated skill and experience in the bankruptcy field; and
- (f) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

11 U.S.C. § 330(a)(3).

28. In these chapter 11 cases, Deloitte & Touche respectfully submits that the services for which it seeks compensation in the Final Fee Application Period were necessary for and beneficial to the Debtors and were performed economically, effectively, and efficiently. Deloitte & Touche further submits that the compensation requested herein is reasonable in light of the nature, extent, and value of such services to the Debtors. Further, in accordance with the factors enumerated in section 330 of the Bankruptcy Code, the amount of fees requested is fair and reasonable given: (i) the complexity of these chapter 11 cases; (ii) the time expended; (iii) the nature and extent of the services rendered; (iv) the value of such services; and (v) the costs of comparable services other than in a case under the Bankruptcy Code. Accordingly, the approval of the compensation and expense reimbursement sought herein is warranted.

CERTIFICATE OF COMPLIANCE AND WAIVER

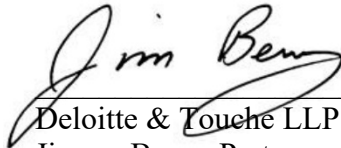
29. Finally, as set forth in Exhibit A attached hereto, the undersigned representative of Deloitte & Touche certifies that it has reviewed the requirements of rule 2016-1 of the Local Rules and that the Final Fee Application substantially complies with that Local Rule. To the extent that the Final Fee Application does not comply in all respects with the requirements of Local Rule

2016-1, Deloitte & Touche believes that such deviations are not material and respectfully requests that any such requirement be waived.

WHEREFORE, pursuant to the Final Compensation Order, Deloitte & Touche respectfully requests that, for the period from October 15, 2018 through October 31, 2019, the Court (i) grant Deloitte & Touche final allowance of compensation in the amount of \$2,476,936.00 for professional services rendered during the Final Fee Application Period and reimbursement of actual and necessary expenses in the amount of \$47,154.66, less an agreed reduction of \$125,000.00, for a total allowance of \$2,399,090.66, in each case on a final basis, (ii) authorize and direct the Debtors to pay the foregoing amounts to the extent not previously paid, and (iii) grant such other and further relief as may be just and proper.

Dated: October 8, 2020
Dallas, Texas

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jimmy Berry", is written over a horizontal line.

Deloitte & Touche LLP
Jimmy Berry, Partner
2200 Ross Avenue, Suite 1600
Dallas, Texas 75201-6778
Telephone: 214-840-7360
Facsimile: 214-880- 5360

DEBTORS' INDEPENDENT AUDITOR AND
ADVISOR

EXHIBIT A

**CERTIFICATION FOR
THE FINAL FEE APPLICATION PERIOD**

OCTOBER 15, 2018 THROUGH OCTOBER 31, 2019

Deloitte & Touche LLP
2200 Ross Avenue, Suite 1600
Dallas, Texas 75201-6778
Telephone: 214-840-7360
Jimmy Berry
Independent Auditor and Advisor

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

SEARS HOLDINGS CORPORATION, *et al.*,

Debtors.¹

Chapter 11

Case No. 18-23538 (RDD)

(Jointly Administered)

**CERTIFICATION UNDER GUIDELINES FOR FEES AND DISBURSEMENTS
FOR PROFESSIONALS IN RESPECT OF FINAL FEE APPLICATION
OF DELOITTE & TOUCHE LLP FOR COMPENSATION FOR SERVICES RENDERED
AND REIMBURSEMENT OF EXPENSES INCURRED
AS INDEPENDENT AUDITORS AND ADVISOR FOR THE DEBTORS
FOR THE PERIOD OCTOBER 15, 2018 THROUGH OCTOBER 31, 2019**

JIMMY BERRY, deposes and says:

1. I am a partner of Deloitte & Touche LLP (“Deloitte & Touche”), which has an office located at 2200 Ross Avenue, Suite 1600, Dallas, Texas 75201. I make this certification in connection with the final fee application (the “Application”) of Deloitte & Touche, in the above-

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); SR – Rover de Puerto Rico, LLC (f/k/a Sears de Puerto Rico, Inc. (3626)); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Rover Brands Business Unit, LLC (f/k/a Sears Brands Business Unit Corporation (4658)); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

captioned debtors' (the "Debtors") chapter 11 cases.

2. I submit this certification with respect to Deloitte & Touche's compliance with and pursuant to the Court's General Order M-447, the Amended Guidelines for Fees and Disbursements for Professionals in the Southern District of New York adopted by the Court on November 25, 2009 (the "Local Guidelines"), and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. 330 adopted on January 30, 1996 (the "UST Guidelines") (collectively, and with the Order Pursuant to Sections 330 and 331 of the Bankruptcy Code and Bankruptcy Rule 2016(a) Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals, dated November 16, 2018 (Docket No. 796) (the "Compensation Order"), the "Guidelines").

3. In compliance with the Guidelines, I hereby certify that:

a. I have read the Final Fee Application and am familiar with the services for which compensation is being sought that are described therein;

b. To the best of my knowledge, information and belief, the fees and disbursement sought in the Final Fee Application are in substantial compliance with the Guidelines.

c. The fees and disbursements sought in the Final Fee Application are billed at rates or in accordance with practice customarily employed by Deloitte & Touche for similar services and generally accepted by Deloitte & Touche's clients.

d. Deloitte & Touche has not made a profit with respect to the expenses requested in the Final Fee Application.

e. No agreement or understanding exists between Deloitte & Touche and any non-affiliated or unrelated person or persons for the sharing of compensation received or to be received for professional services rendered in or in connection with these chapter 11 cases.

g. Deloitte & Touche has not entered into any agreement with the

office of the United States Trustee, the Debtors, any creditor or any other party in interest, for the purpose of fixing the amount of any of the fees or other compensation allowed out of or paid from the assets of the Debtors.

h. Copies of the Final Fee Application were provided to the appropriate parties on or about the date set for the filing of Applications by the Compensation Order.

/s/ Jimmy Berry

Declarant: Jimmy Berry

Title: Partner

Dated: October 8, 2020